

Minutes
Meeting, Board of Trustees
Kansas Workers Risk Cooperative for Counties
June 17, 2010 at 1:00 p.m. via Teleconference
700 SW Jackson, Ste 200
Topeka, KS 66603

The June 2010 meeting of the Board of Trustees of Kansas Workers Risk Cooperative for Counties (KWORCC) was called to order at 1:08 p.m. via teleconference in Topeka by Board President Jim Wise on Thursday, June 17, 2010. Trustees present included: Jim Wise, Miami County Commissioner, President; Doyle "Hooley" Alcorn, Jewell County Commissioner, Vice-President; Linda Buttron, Jefferson County Clerk, Secretary; Michelle Garrett, Morris County Clerk, Controller; Bonnie Swartz, Gray County Clerk; Frances Garcia, Reno County Commissioner and Ralph D. Unger, Decatur County Commissioner.

Staff participating included Mr. James W. Parrish, Administrator; Ms. Dortha O. Bird, Deputy Administrator and Staff Counsel; Mr. Carl Eyman, Deputy Administrator and Loss Prevention Specialist; Mr. Philip J. Rippee, Loss Prevention Specialist; Mr. Richard Alexander, Accountant and Ms. Nicole Jarboe-Paxson, Executive Assistant and Media Director.

Insurance Management Associates (IMA) was represented on the conference call by Mr. Gene Miller, Ms. Susan May and Ms. Marla Dipman.

President Wise addressed Agenda Item No. 2, "Approval of the Agenda." Ms. Swartz moved to approve the agenda as presented. Ms. Garcia seconded the motion, which CARRIED unanimously.

President Wise addressed Agenda Item No. 3, "Consideration of Minutes of Meeting of May 20, 2010." Mr. Unger moved to approve the minutes as presented. Ms. Garrett seconded the motion, which CARRIED unanimously.

President Wise addressed Agenda Item No. 4, "Administrator's Report." Mr. Parrish first addressed Agenda Item No. 4a, "Checks Requiring Board Approval and Ratification of Wire Transfers." He itemized the electronic transfer of funds and the checks requiring approval. Ms. Swartz moved to ratify the transfers and approve the checks as presented. Mr. Unger seconded the motion, which CARRIED unanimously.

Mr. Parrish asked Ms. Bird to address Agenda Item No. 4b, "KID—Fund Assessment Statement." Ms. Bird stated that because KWORCC and other pools are litigating the 2009 sweep and because the invoice states the assessment is primarily a result of the sweep, any payment of the invoice should be paid under protest. Mr. Unger moved that the staff pay the invoice under protest. Ms. Garcia seconded the motion, which CARRIED unanimously. Mr. Alcorn asked the staff to draft a letter for Trustees to send their legislators protesting the sweeps of funds and requesting the return of all monies swept to the Workers Compensation Fund.

President Wise then proceeded to Agenda Item No. 5, "Marketing Report." Mr. Eyman discussed marketing activities.

President Wise addressed Agenda Item No. 6, "Financial Report." Mr. Alexander discussed in detail the financial statements he prepared for May 2010. Ms. Swartz moved to receive and file the reports as presented. Ms. Buttron seconded the motion, which CARRIED unanimously.

Mr. Alexander presented the check register. Mr. Unger moved to approve check Nos. 13733 through 13784 and the direct debits, all as presented. Ms. Garrett seconded the motion, which CARRIED unanimously.

Next, Mr. Alexander reviewed reports showing the value of KWORCC's equity investments as of June 1, 2010 and June 8, 2010.

President Wise proceeded to Agenda Item No. 7, "Claims Report – IMA." Addressing Agenda Item No. 7a, "Select Claims Review," Ms. May and Mr. Miller reported on claims and answered questions. Mr. Miller also requested approval on a pending settlement. Ms. Swartz moved to approve settlement of claim No. 2007033263 as recommended. Ms. Buttron seconded the motion, which CARRIED unanimously.

Mr. Miller then addressed Agenda Item No. 7b, "Logicomp Bill Review Report." For the period beginning January 1, 2010 through May 31, 2010, Mr. Miller reported the amount billed totals \$1,710,336. The actual paid amount totals \$890,104 resulting in a net savings of \$820,232 after fees are paid. This is more than 48% of the amount billed for this 5-month period.

Mr. Parrish then explained the "Policy Year Performance Review" under Agenda Item No. 7c. This analytical review generated by IMA shows KWORCC's claim history for policy years 2007 through 2010. The documents consist of graphs which compare the actual paid and incurred losses to the estimated paid and incurred losses and show the actuarial projections. He noted these charts show the status as of the end of May and should not be considered as a guarantee of either good or poor ultimate loss performance.

President Wise called upon Messrs. Eyman and Rippee to address Agenda Item No. 8, "Loss Prevention and County Visits." Mr. Eyman reviewed calendars for May, June and July for the loss-prevention staff. Messrs. Eyman and Rippee also reported on the visits with the county commissioners.

President Wise addressed Agenda Item No. 9, "Legal Report – Legislative Update." Mr. Parrish stated there was no legal report.

Next, President Wise addressed Agenda Item No. 10, "Committee Reports." There were no committee reports.

President Wise then addressed Agenda Item No. 11, "Other Items." Mr. Parrish reminded everyone that the meeting on July 16th will be on a Friday and will start at 12:30 p.m. instead of 1:00 p.m.

There being nothing further before the Board, Mr. Unger moved to adjourn at 2:28 p.m. Ms. Swartz seconded the motion, which CARRIED unanimously.

The KWORCC Board of Trustees approved the foregoing minutes on the 16th day of July, 2010.

Linda Buttron, Secretary
KWORCC Board of Trustees